H-G COAL COMPANY ase 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page SCH K-1 SUPPORTING SCHEDULES PARTNER # 1 COALGRACE, INC.	1 of 39 <sub>4-1188108</sub>
LINE 4A - INTEREST	
INE 4A - INTEREST  "TEREST INCOME ON OBLIGATIONS OF U.S. 1,008.  TOTAL INTEREST 1,008.  INE 6 - NET SECTION 1231 GAIN (LOSS)  THER (GENERAL BUSINESS) 1,094.  TOTAL NET SECTION 1231 GAIN (LOSS) 1,094.  INE 16E - OTHER ADJUSTMENTS AND TAX PREFERENCE ITEMS  DJUSTED GAIN (LOSS) FROM INSTALLMENT SALES -1,094.	
TOTAL INTEREST	1,008.
LINE 6 - NET SECTION 1231 GAIN (LOSS)  THE GENERAL BUSINESS)	1,094.
TOTAL NET SECTION 1231 GAIN (LOSS)	
LINE 16E - OTHER ADJUSTMENTS AND TAX PREFERENCE ITEMS	
ADJUSTED GAIN (LOSS) FROM INSTALLMENT SALES	-1,094.
TOTAL OTHER ADJUSTMENTS AND TAX PREFERENCE ITEMS	-1,094.

### PARTNER FOOTNOTES

LINE 16E: (1,094)

ADJUSTMENT FOR INSTALLMENT SALE INCOME

L .ER ON FORM 4626, ACE WORKSHEET, LINE 5E.

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SCHEDULE K-1 (Form 1065)

### Partner's Share of Income, Credits, Deductions, etc.

► See separate instructions.

ľ	OMB No. 1545-0099
	<del></del>
	20 <b>00</b>

Department of the Treasury Internal Revenue Service For calendar year 2000 or tax year beginning , 2000, and ending Partnership's identifying number ► 84-1188108 Partner's identifying number ▶ 58-1969355 Partnership's name, address, and ZIP code Partner's name, address, and ZIP code PARTNER # COALGRACE II, INC. H-G COAL COMPANY 5400 BROKEN SOUND BLVD. NW, SUITE 5400 BROKEN SOUND BLVD. NW, SUITE 300 BOCA RATON, FL 33487 BOCA RATON, FL 33487 This partner is a X general partner limited partner F Partner's share of liabilities (see instructions): Nonrecourse ..... limited liability company member B What type of entity is this partner? ► CORPORATION Qualified nonrecourse financing Is this partner a X domestic or a foreign partner? Other ...... (i) Before change or termination (ii) End of G Tax shelter registration number > Enter partner's percentage of: % 50.000000 % H Check here if this partnership is a publicly traded Profit sharing . . . partnership as defined in section 469(k)(2) % 50.000000 % Loss sharing . . . . Ownership of capital % 50.000000 % Check applicable boxes: (1) | Final K-1 (2) | Amended K-1 IRS Center where partnership filed return: ATLANTA Analysis of partner's capital account: (b) Capital contributed (d) Withdrawals and (e) Capital account at end of (a) Capital account at (c) Partner's share of lines year (combine columns (a) 3, 4, and 7, Form 1065, Schedule M-2 distributions beginning of year during year through (d)) -291,708 -291,708 26,050 26,050. (c) 1040 filers enter the amount in column (b) on: (b) Amount (a) Distributive share item Ordinary income (loss) from trade or business activities 1 1 See page 6 of Partner's Instructions for Schedule K-1 (Form 1065). Net income (loss) from rental real estate activities 2 Net income (loss) from other rental activities Portfolio income (loss): 1,008 Interest ..... STMT. 1... Sch. B, Part I, line 1 4 b Sch. B, Part II, line 5 Sch. E. Part I. line 4 4 d Sch. D, line 5, col. (f) Net long-term capital gain (loss): (1) 28% rate gain (loss) 4e(1) Sch. D, line 12, col. (g) 4e(2) Sch. D. line 12, col. (f) Other portfolio income (loss) (attach schedule) 4f Enter on applicable line of your return. Guaranteed payments to partner See page 6 of Partner's 5 5 Instructions for Schedule K-1 6 Net section 1231 gain (loss) (other than due to casualty or theft) 6 1,093 Enter on applicable line of your return. Other income (loss) (attach schedule) ... Charitable contributions (see instructions) (attach schedule) Sch. A, line 15 or 16 8 8 Deduc-tions See pages 7 and 8 of Partner's Instructions for Deductions related to portfolio income (attach schedule) 10 Schedule K-1 (Form 1065). Other deductions (attach schedule) . 11 12a Low-income housing credit: (1) From section 42(j)(5) partnerships for property placed in service before 1990 . (2) Other than on line 12a(1) for property placed in service before 1990 12a(2 Form 8586, line 5 (3) From section 42(j)(5) partnerships for property placed in service after 1989 (4) Other than on line 12a(3) for property placed in service after 1989 . . . . . 12a(4) Credits Qualified rehabilitation expenditures related to rental real estate c Credits (other than credits shown on lines 12a and 12b) related See page 8 of Partner's 12c Instructions for Schedule K-1 (Form 1065) d Credits related to other rental activities 12d

<u> </u>			Case 01-01139-AMC Doc 1089-12	≡iled	11/07/01 Page 3	of 39
•			(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
<del></del>						
Investment Interest	14		Interest expense on investment debts	14a		Form 4952, line 1 See page 9 of Partner's
vestme Interest		b	(1) Investment income included on lines 4a, 4b, 4c, and 4f		1,008.	Instructions for Schedule K-1 (Form 1065).
=			(2) Investment expenses included on line 10	b(2)		
F F	15	а	Net earnings (loss) from self-employment			Sch. SE, Section A or B See page 9 of Partner's
Self-em- ployment		b	Gross farming or fishing income	15b 15c		Instructions for Schedule K-1 (Form 1065).
_			Gross nonfarm income	16a		<del>                                      </del>
is is	116	a	Depreciation adjustment on property placed in service after 1986	16b		See page 9 of Partner's
and		b	Adjusted gain or loss	16c		Instructions
ents		d	(1) Gross income from oil, gas, and geothermal properties	d(1)		for Schedule K-1
djustments and T Preference Items		<b>"</b>	(2) Deductions allocable to oil, gas, and geothermal properties	d(2)		(Form 1065) and Instruc- tions for Form 6251.
Adjustments and Tax Preference Items		e	Other adjustments and tax preference items (attach schedule)	16e	-1,093.	tions for Form 6251.
	17		Name of foreign country or U.S. possession ▶			
			Gross income sourced at partner level	17b		])
		С	Foreign gross income sourced at partnership level:			
			(1) Passive	17c(1)		1
			(2) Listed categories (attach schedule)			<u> </u>
w			(3) General limitation	17c(3)		
axe		d	Deductions allocated and apportioned at partner level:			Form 1116, Part I
Ľ.			(1) Interest expense			1 [
eig			7-7	17d(2)		-
Foreign Taxes		е	Deductions allocated and apportioned at partnership level to			
•			foreign source income: (1) Passive	176/11		
			(2) Listed categories (attach schedule)		T-1 -1 -1	1
			(3) General limitation			17
		f	Total foreign taxes (check one): ▶ Paid Accrued	17f		Form 1116, Part II
	ĺ	g	Reduction in taxes available for credit and gross income from			See Instructions for
		J	all sources (attach schedule)	17g		Form 1116.
	18		Section 59(e)(2) expenditures: a Type ▶			See page 9 of Partner's
						Instructions for Schedule K-1 (Form 1065).
		b	Amount	18b		<b>↓</b> /
占	19		Tax-exempt interest income	19		Form 1040, line 8b
oth	20		Other tax-exempt income	20		See pages 9 and 10 of
Ü	21		Nondeductible expenses	21	06.050	Partner's Instructions for Schedule K-1 (Form
	22		Distributions of money (cash and marketable securities)		_26,050.	1065).
	23		Distributions of property other than money	23		1
	24	а	From section 42(j)(5) partnerships	242		
		a b	Other than on line 24a	24b		Form 8611, line 8
<del></del>	25	_~_	Supplemental information required to be reported separately to			chedules if more space is
			needed):			
Ö			SEE PARTNER FOOTNOTES SCHEDULE			•
nat						
forr						
=						
ntal		-				
me						
<del>p</del> de		-				
Supplemental Information						
<b>5</b> ,		-				

Case 01-01139-AMC DOS 1089-12\_Filed 11/07/01 Page 4 of 39 Qualified Fublicly

	tivity Name(s) and Type	of Income:			Disposed Activity	Low-Income Housing	Traded Partnership	Pass-throu Activity
	H-G COAL COMPANY	<del></del>	~ <del></del> _		NO	NO	NO	NO
<u>B</u>	H-G COAL COMPANY				NO	NO	NO	NO
C		·			<del> </del>	·	<u> </u>	<del> </del> -
			<del></del>		<del> </del>		<del> </del>	<del> </del>
<u> </u>		Activity A	Activity B	A address C	A -4:	Lite D	A = 4:	
	hedule K-1 Line References	PORTFOLIO		Activity C	Acu	vity D	ACTIV	∕ity E
	<u></u>	POKIFOLITO	GEN. T\B					
1.								<del></del>
2.					<del> </del>	<del></del>		<del></del>
3.	Interest income	1,008.			<del>                                     </del>	<del></del>		<del></del>
4a.	Ordinary dividends	1,008.			<del>                                      </del>	<del></del>	ļ	
4b. 4c.							<del></del>	
4d.	Royalties				<del>                                     </del>			
	1)28% Rate Long-term capital gain/loss				<del> </del>			
					<del> </del>	<del></del>	<del></del>	
	Total Long-term capital gain/loss     Other portfolio income/loss			<del></del>	<del></del>			
4f. 5.	Guaranteed payments				<del> </del>			
	Net Section 1231 gain/loss		1,093.		<del> </del>		<del></del>	
6. 7.	Other income		1,093.					
8.	Charitable contributions				<del> </del>	<del></del>		
9.	Section 179 expense			<del></del>	<del> </del>	<del></del>	<u> </u>	<del></del>
10.	Deductions for portfolio income				<del> </del>			
11.	Other deductions							
	1) Elec. pre-90 low-inc. housing cr.				<del> </del>			
· · · · · · · · · · · · · · · · · · ·	2) Other pre-90 low-inc. housing cr.							
	B) Elec. post-89 low-inc. housing cr.					— <del>—</del>		
	4) Other post-89 low-inc, housing cr.				<del> </del>			
	Qualified rehab, expenditures				<del></del>			
•	Rental real estate credits					<del></del>		
12d.	Other rental credits					<del></del>		
13.	Other credits				·			
14a.	Interest expense on inv. debts						<del>-</del>	
	)Investment income	1,008.			<del> </del>	<del></del>		
	Investment expense	7			···-			
	Depr. adj. on post-86 property					····		
	Adjusted gain/loss			<del></del>		· · · · · · · · · · · · · · · · · · ·		
16c.	Depletion					—— <del></del> -	<del></del>	
16d.(1	)Gross income oil/gas/geoth					<del></del>	·····	
	) Deductions alloc, to oil/gas prop		_			<del></del> -		
	Other tax preference							
	Total gross income (ptr level).							
	) Passive (ptrshp level)							
	(Listed categories (ptrshp level).					·	***************************************	
	General limitation (ptrshp level)							
	Interest exp. allo. & appt. (ptr level)					<del></del>		
	Other deductions alio. & appt. (ptr level) .						<del></del>	
	Passive deductions (ptrshp level)	-						
	Listed categories (ptrshp level)				****	<del></del>		
17e.(3)	General limitation (ptrshp level)							
17f.	Total foreign taxes,					·		
17g.	Reduction in taxes avail, for credit ,							
	Section 59(e) expenditures							
	Tax-exempt interest income				<del></del> _			
	Other tax-exempt income					+		
	Nondeductible expenses				····-			
	Low-inc. housing credit recap, .							
	Other than Sec. 42(j)(5) , , , ,				· ·			
25.	Supplemental Information ,		- ··· · · · · · · · · · · · · · ·					
SA OPO	010 2.000 9MH1PN 1642	08/10/2001	14:58:27 VO.	08 01 H-C			22	

SCH K-1 SUPPORTING SCHEDULES PARTNER # 2 COALGRACE II, INC	of 39
LINE 4A - INTEREST	
INTEREST INCOME ON OBLIGATIONS OF U.S.	1,008.
TOTAL INTEREST	1,008.
LINE 6 - NET SECTION 1231 GAIN (LOSS)	
OTHER (GENERAL BUSINESS)	1,093.
TOTAL NET SECTION 1231 GAIN (LOSS)	1,093.
LINE 16E - OTHER ADJUSTMENTS AND TAX PREFERENCE ITEMS	
ADJUSTED GAIN (LOSS) FROM INSTALLMENT SALES	-1,093.
TOTAL OTHER ADJUSTMENTS AND TAX PREFERENCE ITEMS	-1,093.

### PARTNER FOOTNOTES

LINE 16E: (1,094)

ACE ADJUSTMENT FOR INSTALLMENT SALE INCOME TER ON FORM 4626, ACE WORKSHEET, LINE 5E. 

	:-	Case	01-01139-AMC Doc 1089-12		•	f 39
	1	065	U.S. Return of Partne	rship Incol	me	OMB No. 1545-0099
Form  Department of the Treasury Internal Revenue Service  See separate instructions.						<u>-</u> 2000
		l business activity	Name of partnership	it dettoris.		D Employer identification numbe
						84-1188107
		ESTATE	AXIAL BASIN RANCH COMPANY			E Date business started
В	Principal	product or service	Number, street, and room or suite no. If a P.O. box, see pa	ige 13 of the instructions.		
			FACO PROFIES GOVERN STATE N	AIITME 06		10/19/1991 F Total assets (see page 13 of
	<u> LDII</u>	NG s code number	5400 BROKEN SOUND BLVD. N City or town, state, and ZIP code	W, SUITE 30	0	the instructions)
_	674		BOCA RATON FL	<del>-</del>	3487	\$ 2,436,114.
G			(1) Initial return (2) Final return	(3) X Change in		
		accounting method:	· · <del>  </del>	(3) Other (spe		,
		_	Attach one for each person who was a partner at an	· · —		2
 Cal	ution' /	include only trade o	r business income and expenses on lines 1a t	hrough 22 below. Se	e the instructio	ns for more information
—			- Dading of Modifie and Oxposited by Mise (4)		100000	no for more unomidatori.
			ales			
	þ	Less returns and a	llowances	)		<u> </u>
	2	Cast of goods sold	(Schedule A, line 8)		2	
<u>ه</u>		•	act line 2 from line 1c			
ncome	1	•	oss) from other partnerships, estates, and trust		<u> </u>	
<u> </u>	4	,	s) (attach Schedule F (Form 1040))	,	<b>}</b>	
	1		n Form 4797, Part II, line 18		·	
	7	Other income (loss	) (attach schedule)		7	
	8	Total income (loss	). Combine lines 3 through 7	· · · · · · · · · · · · · · · · · · ·	8	
us)		Catarian and ware	(ather than to northern) (less employment ex-	- dita		·
instructions for limitations)	Į.	<del>-</del>	s (other than to partners) (less employment cre ents to partners		<del></del>	
Ē	1		nance			<del></del>
is for	1					<del></del>
ction	1				_	
stru	1	Taxes and licenses			14	<del></del>
e :	15	Interest			}	
14 of the			uired, attach Form 4562)			
e 14	bι	Less depreciation rep	orted on Schedule A and elsewhere on return 16t	)	16	G
pag			leduct oil and gas depletion.)		<u> </u>	
see			tc			
15 (	19 8	Employee benefit p	rograms		19	
Deductions (see page	20 (	Other deductions (a	ttach schedule)		20	
٥	21	Total deductions. A	dd the amounts shown in the far right column	n for lines 9 through	20 21	
	22 (	Ordinary income (lo	oss) from trade or business activities. Subtractivity, I declare that I have examined this return, including	t line 21 from line 8	22	
Sig	ase In	and belief, it is true, information of which pr	correct, and complete. Declaration of preparer (other reparer has any knowledge.	than general partner o	r limited liability	s, and to the best of my knowledge company member) is based on all
lei		Signature of general	Dartner or limited liability company member		Date /	<u></u>
aid	l parer's	Preparer's signature	caulere remba	8/10/01	heck if elf- mployed	Preparer's SSN or PTIN
se	Only	Firm's name (or yours if self-employed).	ARICEWATERHOUSECOOPERS	LLP		EIN ► 13-4008324
	,	address, and ZIP code	200 S. BISCAYNE BLVD.,	STE. 1900		Phone no.
		<u> </u>	MIAMI, FL 33131-2330			305-375-7400

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2000)

Department of the Treasury

Internal Revenue Service

# Application for Automatic Extension & Time To File U.S. Return for a Partnership, REMIC, or for Certain Trusts

File a separate application for each return.

OMB No. 1545-1054

### Please type or print.

File by the due date for filing

Number, street, and room or suite no. If a P.O. box, see instructions.

AXIAL BASIN RANCH CO.

1188107

Employer identification number

whici exter requi	eturn for h an ision is ested, See uctions.	City or town, state, and ZIP code. If a foreign	address, enter city, province or sta		practice for entering the postal co	>
1	•	ion is requested for Form 1041, Form 1041-QFT, Form 1065-B, or Form 1066, enter the following amounts:  al tax from Form 1041, Form 1041-QFT, Form 1065-B, or Form 1066 (see instructions) \$  credits and estimated tax payments, including any prior year overpayment allowed as a  Form 1041, Form 1041-QFT, or Form 1065-B (see instructions). REMICs, enter -0 \$  c. Subtract line 4b from line 4a. If zero or less, enter -0 Enclose payment, if any, with  see instructions)				
2		<del>-</del>				▶ □
		ear is for less than 12 months, o	a ZIP code. If a foreign address, enter city, province or state, and country. Follow the country's practice for entering the postal code.  ON FL 33487  In the extension of time to file (check only one): In 1041-QFT			
4	If this extens	sion is requested for Form 1041	, Form 1041-QFT, Forr	າ 1065-B, or Form 1066	, enter the following a	mounts:
а	Tentative tot	tal tax from Form 1041, Form 1	041-QFT, Form 1065-B	, or Form 1066 (see inst	tructions)\$	<u> </u>
b			• , ,			
c						NON
aut	ion: Interest	will be charged on any tax not p	aid by the regular due o	ate of Forms 1041, 1041	1-QFT, 1065-B, and 10	66 from the du

date until the tax is paid.

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Use Form 8736 to request an automatic 3-month extension of time to file a return for:

- Trusts filing Form 1041, U.S. Income Tax Return for Estates and Trusts, or Form 1041-QFT, U.S. Income Tax Return for Qualified Funeral Trusts.
- Partnerships filing Form 1065, U.S. Return of Partnership Income, or Form 1065-B, U.S. Return of Income for Electing Large Partnerships.
- Real estate mortgage investment conduits filing Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return.

If allowed, the automatic extension will extend the due date of the return to the 15th day of the 3rd month following the month in which the regular due date falls. The automatic 3-month extension period includes any 2-month extension granted under Regulations section 1.6081-5 to certain foreign partnerships.

Note: An estate filing Form 1041 should not file this form. Instead, it should request an extension using Form 2758, Application for Extension of

Time To File Certain Excise, Income, Information, and Other Returns.

The extension will be allowed if you complete Form 8736 properly, make a proper estimate of the tax on line 4a (if applicable), and file the form on time. We will notify you only if your request for an extension is not allowed.

For most partnerships, trusts, and REMICs, an automatic extension will extend the due date of the return to July 15th of the year following the close of the calendar year.

### When To File

File Form 8736 by the regular due date of the return for which an extension is requested (or, in the case of certain foreign partnerships, by the expiration date of any extension of time to file granted under Regulations section 1.6081-5). The regular due date is generally the 15th day of the 4th month following the close of the entity's tax

# Additional Extension of Time

If Form 8736 has already been filed but more time is needed, file Form 8800, Application for Additional Extension of Time To File U.S. Return for a Partnership, REMIC, or for Certain Trusts.

Except in cases of undue hardship, do not file Form 8800 unless Form 8736 has already been filed. Before an additional extension can be granted, the entity must show reasonable cause for the additional time needed to file.

Ask for the additional extension early so that if it is denied the return can still be filed on time.

#### Where To File

File Form 8736 with the Internal Revenue Service Center where the entity will file its return.

### No Blanket Requests

File a separate Form 8736 for each return for which you are requesting an extension of time to file. This extension will apply only to the specific return checked on line 1. It does not extend the time for filing any related returns. For example, an automatic extension of time to file Form 1065 will not apply to the income tax returns of the partners of the partnership.

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Form 8800

# Application for Additional Extension of The To File U.S. Return for a Partnership, REMIC, or for Certain Trusts

(Rev. September 2000) OMB No. 1545-1057 Department of the Treasury File a separate application for each return. Internal Revenue Service Employer identification number Please type or print. AXIAL BASIN RANCH CO. - 1188107 File the original Number, street, and room or suite no. (If a P.O. box, see instructions.) and one copy by the due date for filing the 5400 BROKEN SOUND BLVD. NW, STE. 300 return for City or town, state, and ZIP code. If a foreign address, enter city, province or state, which an extension is and country. Follow the country's practice for entering the postal code. mouested, See BOCA RATON FL 33487 instructions. October 2001 I request an additional extension of time until to file (check only one): Form 1065-B Form 1041 Form 1041-QFT X Form 1065 Form 1066 If the entity does not have an office or place of business in the United States, check this box . . . . . . . . . 2 3a For calendar year 20 00 , or other tax year beginning \_\_\_ \_\_\_\_, 20 \_\_\_\_, and ending\_ b If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period Explain why the entity needs an extension. All entities filing this form must give an adequate explanation. Additional time is needed to prepare a complete and accurate tax return. Has the entity filed Form 8736 to request an extension of time to file for this tax year? If you checked "No," we will grant an extension only for undue hardship. Fully explain the hardship on line 4. Signature and Verification Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form. Pricewaterhouse Coopers 13-4008324 File original and one copy/The IRS will show below whether or not your application is approved and will return the copy. Notice to Applicant -- To Be Completed by the IRS. We HAVE approved this application. Please attach this form to the entity's return. We HAVE NOT approved this application. However, we have granted a 10-day grace period to \_\_\_\_ This grace period is considered a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the entity's return. We HAVE NOT approved this application. After considering the reasons stated in item 4 above, we cannot grant this request for an extension of time to file. We are not granting a 10-day grace period. We cannot consider this application because it was filed after the due date of the return for which an extension was requested. Other: Director If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent. Name Please Number, street, and room or suite no. (If a PO box, see instructions.) Type or City or town, state, and ZIP code. If a foreign address, enter city, province or state, Print and country. Follow the country's practice for entering the postal code

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۴o	rm 1	065 (2000) AXIAL BASIN RANCH COMPANY	84-1188107	Page 2
8	che	dule A Cost of Goods Sold (see page 17 of the instructions)	· · · · · · · · · · · · · · · · · · ·	
Inventory at beginning of year.  2 Purchases less cost of tems withdrawn for personal use.  2 Purchases less cost of tems withdrawn for personal use.  3 Additional section 263A costs (attach schedule).  4 Additional section 263A costs (attach schedule).  5 Other costs (attach schedule).  6 Total. Add lines 1 through 5  7 Inventory at end of year.  Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2  8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2  8 Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2  9 a Check all methods used for valuing closing inventory.  (i) Cost as described in Regulations section 1.471-3  (iii) Uniter (specify method used and attach explanation) >  Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)  c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach form 970).  d Do the rules of section 263A (for protectly produced or secupited for reale) apply to the partnership?  e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?  If "Yes," attach explanation.  3 Abdition 1 What type of entity is filing this return? Check the applicable box:  a \( \text{ Domestic general partnership} \)  b \( \text{ Domestic limited liability partnership} \)  c \( \text{ Domestic general partnership} \)  c \( \text{ Domestic general partnership} \)  c \( \text{ Domestic imited liability company } \)  e \( \text{ Foreign partnership} \)  2 Are any partners in this partnership also partnerships?  2 During the partnership is total receipts for the tax year were less than \$500,000; and control the partnership's total assets at the end of the following requirements?  a The partnership's total assets at the end of the tax year were less than \$500,000; and control the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065;				
1				
2		·		
3				
4				
5				
			<del></del>	·····
			8	
9	а			
		· · ·		
		` ' <del>   </del>		
			71-2(c)	
				-
			<del></del>	No
				No
			· · · ·	
S	he	fule B Other Information		
1		What type of entity is filing this return? Check the applicable box:	Υ	es No
	а	X Domestic general partnership b Domestic limited partnership		
	С	Domestic limited liability company d Domestic limited liability partnership		
2				<u> </u>
3			•	
			-2 and	
				X
4				
_				_ X
5		·		
			na	
			s	
			orm 1065:	10.0.1000000000
				х
6		Does this partnership have any foreign partners?		X
7		s this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8				X
9		At any time during calendar year 2000, did the partnership have an interest in or a signature or other a	authority	
		over a financial account in a foreign country (such as a bank account, securities account, or other finan	cial	
			1. If "Yes,"	
				X
10		During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transfero	rto, a	
				X
11		and the contract of the contra	<b>I</b>	
		·	-	
		and the state of t	,	<u> </u>
-				
Scheditios   Cost of Goods Sold (see page 17 of the instructions)    Inventory at beginning of year				
Ent	er b	elow the general partner designated as the tax matters partner (TMP) for the tax year of this return:		
۷aı	me (	of Identifying		
des	igna	number of TMP	<b>&gt;</b>	
Αd	dres	ss of National Control of the Contro		
des	sign	ated TMP		
			Form 1065	(2000)

0P1020 3 000

Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 10 of 39 Form 1065 (2000) AXIAL BASIN RANCH COMPANY 84-1188107 Schedule K Partners' Shares of Income, Credits, Deductions, etc. (a) Distributive share items (b) Total amount Ordinary income (loss) from trade or business activities (page 1, line 22) Net income (loss) from rental real estate activities (attach Form 8825) 2 3 a Gross income from other rental activities c Net income (loss) from other rental activities. Subtract line 3b from line 3a Income (Loss) <u>17</u>,329 4a b Ordinary dividends 4 b c Royalty income 4 c d Net short-term capital gain (loss) (attach Schedule D (Form 1065)) e Net long-term capital gain (loss) (attach Schedule D (Form 1065)): (1) 28% rate gain (loss) (2) Total for year 4e(2) f Other portfolio income (loss) (attach schedule) Guaranteed payments to partners 5 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797) 153,617 Charitable contributions (attach schedule) Deduc-tions Section 179 expense deduction (attach Form 4562) 9 Deductions related to portfolio income (itemize) 10 11 12a Low-income housing credit: (1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990 12a(1) (2) Other than on line 12a(1) for property placed in service before 1990 (3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989 12a(3) (4) Other than on line 12a(3) for property placed in service after 1989 12a(4) b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468) 126 c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities <u>12c</u> d Credits related to other rental activities 12d 13 14a Interest expense on investment debts Interest 14a Inves. ment 17,329 14b(1 14b(2)Self-Employ-ment 15a Net earnings (loss) from self-employment b Gross farming or fishing income 15b c Gross nonfarm income , . . . . . 15c Adjustments and Tax Preference Items 16a Depreciation adjustment on property placed in service after 1986 16b c Depletion (other than oil and gas) 16c d (1) Gross income from oil, gas, and geothermal properties 16d(1) (2) Deductions allocable to oil, gas, and geothermal properties 16d(2) e Other adjustments and tax preference items (attach schedule) 17a Name of foreign country or U.S. possession Foreign Taxes c Foreign gross income sourced at partnership level: (1) Passive (2) Listed categories (attach schedule) (3) General limitation 17c(3) d Deductions allocated and apportioned at partner level; (1) Interest expense ▶ (2) Other 17d(2) e Deductions allocated and apportioned at partnership level to foreign source income: (1) Passive (2) Listed categories (attach schedule) (3) General limitation 17e(3) 17f Reduction in taxes available for credit and gross income from all sources (attach schedule). 17g Section 59(e)(2) expenditures: a Type ▶ b Amount ▶ 18b Tax-exempt interest income 19 19 Other tax-exempt income 20 21 21

Form 1065 (2000)

22

23

447,900.

22

23

Other items and amounts required to be reported separately to partners (attach schedule)

Distributions of money (cash and marketable securities)

		L BASIN RAN		Y T	- Hou				-ttootni "A
An	alysis of Net Inco	<u>.                                  </u>	4 45				<del></del>		
7	Net income (loss). Con							1 1	170 046
	sum of Schedule K, line	es 8 through 11, 14a, 1				<del></del>	<del>· · · · ·</del>		170,946.
2	Analysis by	(i) Corporate	(ii) Individual		idividual ssive)	(iv) Partne	rship	(v) Exempt	1 () Manage (CA)
	* * * * * * * * * * * * * * * * * * * *	770 046	(Bollvo)	(ра				organizatio:	
	·	170,946.				<del> </del>			
		roo Chasta nor	Deals (Not s	ام د دارید	40	1	- 101 - 57 :		1002
50	Hedrie - Baia	ince Sheets per					eaule B I		
	4	<b>4.</b> _	<del> </del>	eginning	or tax ye		<del> </del>		<del></del>
			and the contract of the con-		<del> </del> -	(D)		(C)	(d)
	Cash			000				1 000	
				<u>,992.</u>		1 000		1,990	
				15.000 - 5000.0000	<del> </del>	1,992.			1,99
	Inventories				<del> </del>				<u> </u>
					ļ	<del></del>			
	rax-exempt securities		C 2773 4FT3						
				4	5	00,000.			<u> </u>
	wortgage and real esta	te loans	- 8 - 5 - 5 - 5						
								<u> </u>	1
10 a	Depletable assets		•		500,000,000,000				
	Less accumulated deple	etion		sissionienvieri.				**************************************	<del> </del>
					00100000011000110110				
12 a	Intangible assets (amor	tizable only)	•						
	Less accumulated amor	tization		<b>.</b> 1029 153					
									2,434,12
14					2,4	<u>70,459.</u>			2,436,11
				386					
			•						<del></del>
									<u></u>
						15,262.			<u>262</u>
			•			<del></del>	dog Bondad	98 (C. 36)	· · · · · · · · · · · · · · · · · · ·
						19,345.			~······
				}					
21	Partners' capital account	(S			$\frac{2}{2}, \frac{4}{3}$	35,852.			2,435,852
22	Total liabilities and capit	al		1860.8801101	2,4	<u>70,459.</u>			2,436,114
Sci	reduie M-1 (Not	onciliation of inc	ome (Loss) p	er Boo	KS With	i Income (I	Loss) p	er Returr	<b>1</b>
a General partners b Lemited partners b Lemited partners characteristics considered by the control of the contr		structions.)							
								[ [	
		· · · · · · · · · · · · · · · · · · ·		,				*	
		1			Tax-exemp	pt interest \$ _			
			170,94	1					
		l l							
			<u></u>					_	
	•	· ·						· ·	
		- 1		a	Depreciati	ion\$			
				j		~_	<b></b>		
a	Depreciation \$						<u></u>	L	
þ.	Travel and entertainment	\$		8	Add lines (	6 and 7			
_				- ,					
			170,94	6.	line 1). Su	ibtract line 8 fr	om line 5.	<u> </u>	170,946
हासा	EQUIE WEZ Analy	sis of Partners'	Capital Accor	unts (N	lot require	ed if Questio	n 5 on Sc	hedule B is a	answered "Yes.")
7	Balance at beginning of y	ear	<u>2,435,85</u>	2.6	Distribution	ns, a Cash	STMT	2	447,900
2	Capital contributed during	g year	447,90	0.		b Propert	у	[	
3	Net income (lose) per boo	ks		7 (	Other decr	eases (itemize)	):		
	ivet income (loss) per boo	• • • • • • •						,	
4 (	Other increases (itemize):			-   .	<b></b>				
4 (	Other increases (itemize):			8	- <b>-</b>	<b></b>	·		447,900
4 ¢	Other increases (itemize):		2,883,75	8	Add lines 6	and 7	· · · · · ·		447,900 2,435,852

Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 12 of 39
Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

OMB No. 1545-0184

Depar Intern

Internal Revenue Service (99)	► Attach to your tax return.	See separate instructions.	Attachment Sequence
Name(s) shown on return			Identifying number
			1

AΧ	IAL BASIN RANCH COM	1PANY				j	84-	1188107
1	Enter the gross proceeds from sale		eported to you fo	r 2000 on Form(s)	1099-B or 1099-S (	or substitute		
	statement) that you are including or							
Pa	ti Sales or Exchanges o					•		
	Other Than Casualty	or Theft - N	lost Proper	ty Held More	<del></del>			ons.)
	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or basis, p improvement expense o	lus nts and	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2								
							,	
3	Gain, if any, from Form 4684, lin	ne 39		. ,			3	
4	Section 1231 gain from installm	ent sales from I	Form 6252, lir	ne 26 or 37		<i>.</i> .		153,617.
5				rm 8824			5	
6	•						6	
7	Combine lines 2 through 6. Ente	r the gain or (lo	ss) here and	on the appropriat	te line as follows:		7	153,617.
			-	or (loss) following t	the instructions for	Form		
		•						
	7 is a gain and you did not have an	y prior year section	on 1231 losses,	or they were reca	ptured in an earlier	r year,		
	enter the gain from line 7 as a long-	term capital gain	on Schedule D	and skip lines 8, 9, a	and 12 below.			
8	Nonrecaptured net section 1231	losses from pri	or years (see	instructions)			8	
9			-					
	(see instructions):						9	
	S corporations. Enter any gain from	line 9 on Schedu	le D (Form 112	0S), line 15, and si	kip lines 11 and 12 l	below.		
					than zero, enter the	amount fro	m line 8	on line 12
			apital gain on Sc	hedule D.				
<u>'a</u>								·
<u> </u>	Ordinary gains and losses not inc	cluded on lines	11 through 17	(include propert	ty held 1 year or l	ess);		· · · · · · · · · · · · · · · · · · ·
								<del></del>
							$-\!\!+\!\!$	
	<u></u>							
	Loss, if any, from line /						11	()
2							12	
3	Gain, ir any, from line 31				·		13	
4	Net gain or (loss) from Form 468	4, lines 31 and	38a				14	
5	Ordinary gain from installment sa	ies from Form	6252, line 25	or 36			15	<del>,</del>
) -							16	
•								
							17	
5				,		s:	18	
		inter the gain o	r (loss) from l	ine 18 on the ret	urn being filed.			ko seka <b>sik</b> il
D	For individual returns:							
	Enter the part of the loss from inc	oss from Horm 46 come-producina c	184, line 35, colu Tronedy an Sch	imn (b)(ii), enter tha edule A (Eorm 104)	at part of the loss he	ere. nart		
	of the loss from property used as	an employee on	Schedule A (For	m 1040), line 22, lo	dentify as from "For	m		The state of the s
							185(1)	
_		from Form 4684, line 39  1 gain from installment sales from Form 6252, line 26 or 37.  3 gain or (loss) from like-kind exchanges from Form 8824  from line 32, from other than casualty or theft  25 2 through 6. Enter the gain or (loss) here and on the appropriate line as follow  26 except electing large partnerships). Report the gain or (loss) following the instructions  27 le K, line 6. Skip lines 8, 9, 11, and 12 below.  28 Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines  29 11, and 12 below, unless line 7 is a gain and the S corporation is subject to the capital gine 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and  29 and old not have any prior year section 1231 losses, or they were recaptured in an eat  29 from line 7 as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.  29 and net section 1231 losses from prior years (see instructions)  20 from line 7. If zero or less, enter -0 Also enter on the appropriate line as follows.  20 enter any gain from line 9 on Schedule D (Form 1120S), line 15, and skip lines 11 and  29 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter  20 er the gain from line 9 as a long-term capital gain on Schedule D.  21 and Scorporation (see instructions)  22 is and losses not included on lines 11 through 17 (include property held 1 year)  23 is and losses not included on lines 11 through 17 (include property held 1 year)  24 or (loss) from like-kind exchanges from Form 8824  25 ection 179 expense deduction for partners and S corporation shareholders from property  26 and S corporations (see instructions)  27 line 18 on the appropriate line as foll individual returns: Enter the gain or (loss) here and on the appropriate line as foll individual returns: Enter the gain or (loss) from line 18 on the return being filed individual returns: Enter the gain or (loss) from line 18 on the return being filed			<u> </u>	<del></del>	180(2)	

Form 4797 (2000)

19 (a) Description of section 1245, 1250, 1252, 1254,	or 125	5 property:		(b) Date acqui (mo., day, yr		(c) Date sold (mo., day, yr.)
<u>A</u>						
<u>B</u>						
<u>c</u>	<u>·</u>					<del> </del>
D These columns relate to the properties on lines 19A through	190	Property A	Property B	Property (		B
20 Gross sales price (Note: See line 1 before completing		Floperty A	Property B	Flaperty	<del></del> -	Property D
21 Cost or other basis plus expense of sale	21			<del></del>		
22 Depreciation (or depletion) allowed or allowable	22		<del> </del>			
23 Adjusted basis. Subtract line 22 from line 21	23					
24 Total gain. Subtract line 23 from line 20	24					
25 If section 1245 property:						
a Depreciation allowed or allowable from line 22	25a					
b Enter the smaller of line 24 or 25a	25b					
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.						
a Additional depreciation after 1975 (see instructions)	26a					
b Applicable percentage multiplied by the smaller of	} }		1			
line 24 or tine 26a (see instructions)	26b		ļ			
c Subtract line 26a from line 24. If residential rental property						
or line 24 is not more than line 26a, skip lines 26d and 26e	26c	<del></del>	<del> </del>	<del>-                                    </del>		
d Additional depreciation after 1969 and before 1976	26d					
e Enter the smaller of line 26c or 26d	26e					
f Section 291 amount (corporations only)	26f		<del>[</del>	<del></del>		
- Add line 26h 26a ord 26t	20.0					
g Add lines 26b, 26e, and 26f	26g					
dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).	0.7			!		
a Soil, water, and land clearing expenses	27a	·			$\longrightarrow$	
b Line 27a multiplied by applicable percentage (see instructions) c Enter the smaller of line 24 or 27b	27b		<del> </del>			
8 If section 1254 property:	27c					<u> </u>
Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a				1	
b Enter the smaller of line 24 or 28a	28b					
9 If section 1255 property:						
a Applicable percentage of payments excluded from					[	
income under section 126 (see instructions)	29a				1	
b Enter the smaller of line 24 or 29a (see instructions)	29b					
ummary of Part III Gains. Complete property	colur	nns A through [	) through line 29	9b before going t	o line	30.
Total gains for all properties. Add property columns A	through	n D, line 24			30	
Add property columns A through D, lines 25b, 26g, 2 Subtract line 31 from line 30. Enter the portion from	7c, 28b	, and 29b. Enter her	e and on line 13	e portion	31	
from other than casualty or theft on Form 4797, line 6					32	
art IV Recapture Amounts Under Section (See instructions.)	ns 17	9 and 280F(b)(2	) When Busine	ss Use Drops to	50%	or Less
				(a) Section 179		(b) Section 280F(b)(2)
Section 179 expense deduction or depreciation allows				3		
Recomputed depreciation. See instructions				4		
Recapture amount, Subtract line 34 from line 33, See				5	$\neg$	

# Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 14 of 39 Sales of Business Property

### (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

4010-CHC1 .0NI MMU

Department of the Treasury Internal Revenue Service (99) Name(s) shown on return

Attach to your tax return. ► See separate instructions. ALTERNATIVE MINIMUM TAX

Identifying number

Attachment Sequence No.

ΣΥ	IAL BASIN RANCH COM	MPANY					84	1188107
1	Enter the gross proceeds from sale		eported to you fo	r 2000 on Form(s)	1099-B or 1099-S (	or substitute		
•	statement) that you are including o							j
2.	Sales or Exchanges o	f Property U	sed in a Tra	de or Busine	ss and Involu	intary Co	nve	rsions From
	Other Than Casualty							
	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or basis, pli improvement expense of	us its and	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2								
		1						
					<u> </u>			
3	Gain, if any, from Form 4684, lin	ne 39		· · · · · · · · · · · · · · · · · · ·	J.,	l	3	<del> </del>
4	Section 1231 gain from installm			ne 26 or 37			4	153,617.
5	Section 1231 gain or (loss) from						5	
6	Gain, if any, from line 32, from o						6	
7	Combine lines 2 through 6. Ente						7	153,617.
	Partnerships (except electing large					- · · · · · •		
	1065, Schedule K, line 6. Skip lines							
	S corporations. Report the gain or	(loss) following th	ne instructions f	or Form 1120S, S	chedule K, lines 5 :	and 6.		
	Skip lines 8, 9, 11, and 12 below, u	nless line 7 is a g	ain and the S c	orporation is subjec	t to the capital gain:	s tax.		
	All others. If line 7 is zero or a loss,	enter the amount	from line 7 on	ine 11 below and	skip lines 8 and 9.	If line		
	7 is a gain and you did not have ar	ny prior year secti	on 1231 losses,	or they were reca	ptured in an earlie	year,		
	enter the gain from line 7 as a long-	term capital gain	on Schedule D	and skip lines 8, 9,	and 12 below.			
8	Nonrecaptured net section 1231	losses from pr	ior years (see	instructions)			8	}
9	Subtract line 8 from line 7. If zer	o or less, enter	-0 Also ente	r on the appropri	ate line as follows	,		
	(see instructions):						9	
	S corporations. Enter any gain from All others. If line 9 is zero, enter the				•		n line 8	3 on line 12
	below, and enter the gain from line s							
Par	dll Ordinary Gains and Lo	osses	<del></del>	<del> </del>				
0	Ordinary gains and losses not in		11 through 17	(include proper	ty held 1 year or	ess):		
				Villara broker	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
				-		<del></del>		
						<del></del>		<del></del>
1	Loss, if any, from line 7						11	( )
2	Gain, if any, from line 7 or amount	nt from line 8, if	applicable				12	<del></del>
3	Gain, if any, from line 31						13	
4	Net gain or (loss) from Form 468	34, lines 31 and	38a				14	
5	Ordinary gain from installment sa	ales from Form	6252, line 25	or 36			15	<del></del>
6	Ordinary gain or (loss) from like-	kind exchanges	from Form 88	24			16	
7	Recapture of section 179 expense de							
	by partnerships and S corporations (s	see instructions)					17	
8	Combine lines 10 through 17. En						18	
a	For all except individual returns:					• • • •		
b	For individual returns:				<b>9</b>			
	(1) If the loss on line 11 includes a l	oss from Form 4	684, line 35, coli	ımn (b)(ii), enter th	at part of the loss h	ere.		
	Enter the part of the loss from in	came-producing	property on Sch	edule A (Form 104	0), line 27, and the	part		
	of the loss from property used as 4797, line 18b(1)." See instruction	s an employee on ns	Schedule A (Fo	rm 1040), line 22. l	dentify as from "For	m	18b(1)	umma men
	(2) Redetermine the gain or (loss) or	n line 18 excludin	ig the loss, if any	, on line 18b(1). Er	nter here and on Fo	m		
	1040, line 14 ,		- ,	. ,			186121	
or P	aperwork Reduction Act Notice, see	page 7 of the ins	tructions.					Form 4797 (2000)

F

0 ( ) D	25 406	E proportie			(b) Date acqui	ired	(c) Date so
9 (a) Description of section 1245, 1250, 1252, 1254,	or 125	o property:			(mo., day, y	r.)	(mo., day, )
Α							
8							
<u>c</u>		<del></del>	<del></del>				
D		<del></del>	<del></del>				
hese columns relate to the properties on lines 19A through		Property A	Property E		Property (	C	Property
Gross sales price (Note: See line 1 before completing	<u> </u>		<u> </u>				<del></del> _
Cost or other basis plus expense of sale	21		<del> </del>				
Depreciation (or depletion) allowed or allowable	22		<del> </del>				····
Adjusted basis. Subtract line 22 from line 21	23		<del></del>		<del></del>		
				- 1			-
Total gain. Subtract line 23 from line 20	24	<del></del>	<del> </del>				
5 If section 1245 property:							
a Depreciation allowed or allowable from line 22	25a		<del></del>	-+			
b Enter the smaller of line 24 or 25a	25b	<del></del>	<del> </del>				<del></del>
used, enter -0- on line 26g, except for a corporation subject to section 291.							
a Additional depreciation after 1975 (see instructions)	26a		<del> </del>				
b Applicable percentage multiplied by the smaller of	1						
line 24 or line 26a (see instructions)	26b						<u> </u>
c Subtract line 26a from line 24, If residential rental property						}	
or line 24 is not more than line 26a, skip lines 26d and 26e	26c		<del> </del>				<del></del>
d Additional depreciation after 1969 and before 1976			<del> </del>		<del> </del>		
e Enter the smaller of line 26c or 26d	26e						. <u> </u>
f Section 291 amount (corporations only)	26f						<del></del>
			}				
g Add lines 26b, 26e, and 26f	26g	· —	<del> </del>				
If section 1252 property; Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).							
a Soil, water, and land clearing expenses	27a						
b Line 27a multiplied by applicable percentage (see instructions)	27b	<del> </del>	ļ		· · · · · · · · · · · · · · · · · · ·		
Enter the smaller of line 24 or 27b	27c						
If section 1254 property:  a intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a		·				
b Enter the smaller of line 24 or 28a	28b				<del></del>		
If section 1255 property:							··· <u>·</u>
a Applicable percentage of payments excluded from	] ]						
income under section 126 (see instructions)	29a						
b Enter the smaller of line 24 or 29a (see instructions)	29b						
mmary of Part III Gains. Complete property	y colui	mns A through (	) through line	29b b	efore going	to line	30.
			······································				
Total gains for all properties. Add property columns A						30	<del> </del>
Add property columns A through D, lines 25b, 26g, 2						31	
Subtract line 31 from line 30. Enter the portion from							
from other than casualty or theft on Form 4797, line 6	·			<u></u>	· · · · · · · · · · · · · · · · · · ·	32	
Recapture Amounts Under Section (See instructions.)	ons 17	9 and 280F(b)(	2) When Busii	ness (	Jse Drops t	o <b>50</b> %	or Less
		<del>-</del>			(a) Section		(b) Section
					179		280F(b)(2)
Section 179 expense deduction or depreciation allow	able in p	orior years	. <b></b> 1	33			
Recomputed depreciation. See instructions				34			
Recapture amount. Subtract line 34 from line 33. Sec							

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Department of the Treasury

▶ See separate instructions. ► Attach to your tax return. ▶ Use a separate form for each sale or other disposition of

property on the installment method. Internal Revenue Service ALTERNATIVE MINIMUM TAX Identifying number Name(s) shown on return AXIAL BASIN RANCH COMPANY 84-1188107 1 Description of property ► VACANT LAND - ROUTT COUNTY COLORADO 2a Date acquired (month, day, year) ► 01/01/1981 b Date sold (month, day, year) 3 Was the property sold to a related party after May 14, 1980? See instructions. If "No," skip line 4 4 Was the property you sold to a related party a marketable security? If "Yes," complete Part III. If "No." complete Part III for the year of sale and the 2 years after the year of sale Gross Profit and Contract Price. Complete this part for the year of sale only. Selling price including mortgages and other debts. Do not include interest whether stated or unstated 5 Mortgages and other debts the buyer assumed or took the property subject to, but not new mortgages the buyer got from a bank or other source..... Subtract line 6 from line 5 7 8 10 12 Subtract line 13 from line 5. If zero or less, stop here. Do not complete the rest of this form If the property described on line 1 above was your main home, enter the amount of your excluded 15 16 Gross profit, Subtract line 15 from line 14 17 Subtract line 13 from line 6. If zero or less, enter -0-17 18 Installment Sale Income. Complete this part for the year of sale and any year you receive a payment or Part II have certain debts you must treat as a payment on installment obligations. 19 Gross profit percentage. Divide line 16 by line 18. For years after the year of sale, see instructions 677590 19 35. 20 Payments received during year. See instructions. Do not include interest, whether stated or unstated 21 430,571 430,571 23 Payments received in prior years. See instructions. Do not include Installment sale income. Multiply line 22 by line 19 153,617. 25 Part of line 24 that is ordinary income under recapture rules. See instructions Subtract line 25 from line 24. Enter here and on Schedule D or Form 4797. See instructions 153,617 Part III Related Party Installment Sale Income. Do not complete if you received the final payment this tax year 28 Did the related party resell or dispose of the property ("second disposition") during this tax year? . . . . . . . . Yes 29 If the answer to question 28 is "Yes," complete lines 30 through 37 below unless one of the following conditions is met. Check the box that applies. The second disposition was more than 2 years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of disposition (month, day, year) b The first disposition was a sale or exchange of stock to the issuing corporation. The second disposition was an involuntary conversion and the threat of conversion occurred after the first disposition. c The second disposition occurred after the death of the original seller or buyer. d It can be established to the satisfaction of the Internal Revenue Service that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation. See instructions. 30 Selling price of property sold by related party 31 32 Enter the smaller of line 30 or line 31 Total payments received by the end of your 2000 tax year. See instructions 33 34 Subtract line 33 from line 32. If zero or less, enter -0-36 Part of line 35 that is ordinary income under recapture rules. See instructions

0X4900 1,000

Subtract line 36 from line 35. Enter here and on Schedule D or Form 4797. See instructions

AXIAL BASIN RANGE 01,011,39-AMC Doc 1089-12 Filed 11/07/01 Page FORM 1065 SUPPORTING SCHEDULES	e 17 of 39
SCHEDULE K - LINE 4A - INTEREST INCOME	
TEREST INCOME	17,329.
TOTAL INTEREST INCOME	17,329.
SCHEDULE K LINE 6 - NET GAIN/LOSS UNDER SECTION 1231 ===================================	153,617.
TOTAL NET GAIN/LOSS UNDER SECTION 1231	153,617.
SCHEDULE K - LINE 14B(1) ~ INVESTMENT INCOME	
INTEREST INCOME	17,329.
TOTAL INVESTMENT INCOME, SCHEDULE K, LINE 14B(1)	17,329.

AXIAL BASIN RANCE QLOPANY-AMC	Doc 1089-12	Filed 11/07/01	Page 18 of $39_{4-118810}$
FORM 1065, SUPPORTING SCHEDULES	3		

SCHEDULE L - LINE 6 - OTHER CURRENT ASSETS		ENDING
	500,000.	·
TOTAL OTHER CURRENT ASSETS	500,000.	
SCHEDULE L - LINE 13 - OTHER ASSETS	BEGINNING	ENDING
NOTE RECEIVABLE-LONG TERM INTERCO RECEIVABLE-WR GRACE	NONE 1,968,467.	2,434,124
TOTAL OTHER ASSETS		2,434,124
SCHEDULE L - LINE 17 - OTHER CURRENT LIABILITIES		ENDING
ACCRUED LIABILITIES COMMISSION PAYABLE	262. 15,000.	262
TOTAL OTHER CURRENT LIABILITIES	15,262.	262
•		
TALLMENT SALE INCOME		
TALLMENT SALE INCOME CEREST INCOME		17,329.  170,946.
TALLMENT SALE INCOME TOTAL INCOME SUBJECT TO TAX NOT RECORDED ON BOOKS SCHEDULE M-2 - LINE 2 - CAPITAL CONTRIBUTED DURIN	G YEAR	17,329.  170,946.
TALLMENT SALE INCOME TOTAL INCOME SUBJECT TO TAX NOT RECORDED ON BOOKS SCHEDULE M-2 - LINE 2 - CAPITAL CONTRIBUTED DURIN	G YEAR	17,329. 170,946.
	G YEAR	153,617. 17,329. 170,946. 447,900.
TALLMENT SALE INCOME  TOTAL INCOME SUBJECT TO TAX NOT RECORDED ON BOOKS  SCHEDULE M-2 - LINE 2 - CAPITAL CONTRIBUTED DURIN  CAPITAL CONTRIBUTED DURING THE YEAR  FOTAL CAPITAL CONTRIBUTED DURING THE YEAR  SCHEDULE M-2 - LINE 6A - CASH DISTRIBUTIONS	G YEAR	17,329. 170,946. 447,900.
TALLMENT SALE INCOME  TOTAL INCOME SUBJECT TO TAX NOT RECORDED ON BOOKS  SCHEDULE M-2 - LINE 2 - CAPITAL CONTRIBUTED DURIN  CAPITAL CONTRIBUTED DURING THE YEAR  TOTAL CAPITAL CONTRIBUTED DURING THE YEAR	G YEAR	17,329. 170,946. 447,900. 447,900.

# INSTALLMENT SALE

\_\_\_\_\_\_ \_SCRIPTION: VACANT LAND - ROUTT COUNTY COLORADO DATE OF ACQUISITION: 01/01/1981 DATE OF SALE: 10/02/1995 GROSS SALES PRICE..... MORTGAGE ASSUMED..... 2. NET SALES PRICE..... 3. ORIGINAL COST..... 4. DEPRECIATION ALLOWED..... 5. ADJUSTED BASIS - LINE 4 LESS LINE 5................ 6. COMMISSIONS AND OTHER EXPENSES OF SALE..... 7. 8. SUM OF LINES 6,7 AND 8..... 9. 10. GROSS PROFIT..... 11. EXCESS OF MORTGAGE OVER COST BASIS...... 12. 13. CONTRACT PRICE..... GROSS PROFIT PERCENTAGE..... 35.677590 14. 15. COLLECTED AND REPORTED IN PREVIOUS YEARS -PROFIT REPORTED TAXABLE YEAR AMOUNT COLLECTED \_\_\_\_\_ 153,617. 1999 430,571. 1998 489,438. 174,620. 1997 489,438. 174,620. 1996 460,103. 164,154. 859,352. 306,596. 1995 AMOUNT UNCOLLECTED PROFIT UNCOLLECTED \_\_\_\_\_\_ -2,728,902. -973,607. 17. BEGINNING OF YEAR -3,159,473.-1,127,224. 18. END OF YEAR AMOUNT COLLECTED IN CURRENT YEAR..... 16. 430,571.

153,617.

FORM 6252 SUPPORTING SCHEDULES - ALTERNATIVE MINIMUM TAX

## INSTALLMENT SALE

3CRIPTION: VACANT LAND - ROUTT COUNTY COLORADO DATE OF ACQUISITION: 01/01/1981 DATE OF SALE: 10/02/1995 1. GROSS SALES PRICE...... 2. MORTGAGE ASSUMED...... 3. NET SALES PRICE..... 5. DEPRECIATION ALLOWED...... 6. ADJUSTED BASIS - LINE 5 LESS LINE 4........ 7. COMMISSIONS AND OTHER EXPENSES OF SALE........ INCOME RECAPTURE IN YEAR OF SALE................. 8. SUM OF LINES 6,7 AND 8..... 9. GROSS PROFIT...... 12. 13. EXCESS OF MORTGAGE OVER COST BASIS....... 14. CONTRACT PRICE..... 

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# Schedule K-1, Item J - Analysis of Partners Capital Accounts

			ary or or rarer		
Partner Number	A. Capital Account at     Beginning of Year	B. Capital Contributed  During Year	C. Partners' Shares of Sch. M-2, Lines 3, 4, and 7	D. Withdrawals and Distributions	E. Capital Account at End of Year
1	1,529,156.			223,950.	
2	906,696.	223,950.		223,950.	1,529,156 906,696
	300,030.	225,950.			300,096
		<u> </u>			
		·			
İ		<u></u>			
<del></del>				<del></del>	· · · · · · · · · · · · · · · · · · ·
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<del></del>		<del></del>			
				<del></del>	
	<del></del>			·· —	
<del></del>			<del></del>		
					<u> </u>
<del></del>			<del></del>		
<del></del>	<del></del>				
		<u> </u>			·
					· <del></del>
1					
	<del></del>				
					<u></u>
			<u>.                                      </u>		
	2,435,852.	447,900.	·	447,900.	

Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 22 of 39    1	Par				
\$4400 BROKEN SCHOP BLYD. NV, SITTES 300   \$8000, \$8000, \$10, \$10, \$13687		tner Name	Street Address	City, Stat	te and Zip
240 SROW BUT WAS 1912 510 BOOK BAND FT 131697	INC.		5400 BROKEN SOUND BLYD. NW, SUITE 300		FL 33487
			5400 ERUKEN SOUND BLVD. NY, SUITE 300	BOCA RATON	FL 33487
		-			
7/01 Page 22 of 39					
1 Page 22 of 39					
Page 22 of 39					
age 22 of 39					
e 22 of 39					
2 of 39					
of 39					
39					

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SCHEDULE K-1 Partner's Share of Income, Credits, Deductions, etc.

ONE NO. 1545-0099	OM8	No.	1545-0099
-------------------	-----	-----	-----------

			, ,	MICH COLO	V	••••	<b></b>	,				
(Form 1065) ► See separ Department of the Treasury Internal Revenue Service For calendar year 2000 or tax year beginning							instructio	ns.		୬ଳ୍ପ		
Depa	ntment o	nue Service	For calend	ar year 2000 or tax ye	ar beginn	ing		2000,	and ending			
Part	mer's i	dentifying	number 🕨	22-2355544					s identifying number		188107	
Part	ner's n	ame, addres	ss, and ZiF	code PARTNEF	<b>;</b> #	1			name, address, and Z			
		A-B,							BASIN RANCH C			
5	400	BROKEN	SOUND	BLVD. NW,	SUITI	Ξ		) BR	OKEN SOUND E	ELVD. N	W, SUITE	
	00						300					
B	OCA	RATON,	FL 33	487		ľ	BOCA	A RA	TON, FL 334	87		
						į						
			177				- D		de en est lie le ilitie e de en	:	ì.	
Α				ral partner limi	ited parti	ner			share of liabilities (see	instructions	);-	
		mited liabilit			3 m T 🗥	.			se			
	-	· —		tner? ► CORPOR		<u> </u>					1 21	
C	s this p	partner a 📋	Jaomesii (i)	c or a foreign   Before change termination	parmer? (ii) End	of .	C Tay o	·	registration number 🕨		131.	
DE	inter par	tners percenta barina	ge or o	termination or 5.0			U Chec	hener V her	e if this partnership is	a publich t	aded	
, ,	20116 5	naring	•	% 50 % 50	0000	200 %	nartn	erchir	o as defined in section	a publicity a	aded	
	Junare	tailing			0000	200 %	parti	ici om	ag denned in section	1 400(17)(2)		
				p filed return: ATLA			I Checi	k annli	cable boxes: (1) Fir	nal K-1 (2)	Amended K-1	
		is of partne			1111		, 0,,00	, appir	111	14111	1 / Amerided (C)	
<u>, , , , , , , , , , , , , , , , , , , </u>	(a) (	Capital account	at	(b) Capital contribute	ed	(c) Partner	s share of l	ines	(d) Withdrawals and		pital account at end of	
						7, Form 10 dule M-2	65,	distributions	year (	combine columns (a) through (d))		
		1.529	9,156.	223,9	50.	<u> </u>			( 223,950.	)	1,529,156.	
											040 filers enter the	
			(a) Di	stributive share item					(b) Amount	amo	unt in çolumn (b) on:	
	1			ss) from trade or bu						See r	age 6 of Partner's	
	2	Net incom	ie (loss) fr	om rental real estate	activities	s <i>,</i>		2		\rightarrow (Form	page 6 of Partner's actions for Schedule K-1 a 1065).	
	3	Net incom	e (loss) fr	om other rental activ	ities			3		_ 丿		
	4		ncome (los									
SS)	a							4a	8,665	_ Sch.	B, Part I, line 1	
income (Loss)	b							4 b		Sch.	B, Part II, line 5	
je (	С							4 c		7	E, Part I, line 4	
Ö	d			al gain (loss)				4d		Sch.	D, line 5, col. (f)	
ji L	e	-		l gain (loss):								
		(1) 28% ra	ite gain (los	ss)				4e(1)	<u></u>		D, line 12, col. (g)	
				- (1) (-444				4e(2)			D, line 12, col. (f)	
	f			ne (loss) (attach sche				4f	<del></del>	~~{ }	on applicable line of your return.	
	5			ts to partner loss) (other than due t				5	76 000	— Instri	age 6 of Partner's ctions for Schedule K-1	
								6 7	76,809		. 1065). on applicable line of your return.	
	7	Otner inco	me (joss) (	attach schedule)		<del></del> .	<u> </u>			- Cite	on applicable life of your retorn.	
	8	Charitable	contribution	ons (see instructions	:\/attach	schedule	۱ د	8		Sch.	A, line 15 or 16	
ې ې	9			e deduction				9	<del></del>	٦)		
Deduc- tions	10			portfolio income (a				10	···	> Partne	ages 7 and 8 of er's Instructions for	
Ž ∓	111			ach schedule)				11		Sched	dule K-1 (Form 1065).	
	12a	Low-incom					· · · · · · · · · · · · · · · · · · ·			<del> </del>		
	124			artnerships for property p	olaced in se	nice before	1990	122(1)				
	1			(1) for property placed in			- 1	12a(2)	· <u></u>	7 ( _	250 - W ==	
				artnerships for property p					·	Form م ⊢	8586, line 5	
νį				(3) for property placed in			,	12a(4)				
Credits	b			n expenditures rela			r			7		
S		activities		• • • • • • • • • •				12b				
	С			edits shown on line						Sec	age 8 of Partner's	
				ictivities				12c		> Instru	ctions for Schedule K-1	
	d			er rental activities				12d	<del></del>	(Form 1065)		

For Paperwork Reduction Act Notice, see Instructions for Form 1065.

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Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 25 of 39 PARTNER'S SCHEDULE OF ACTIVITIES -

Activity Name(s) and Type	of Income:	·		Disposed Activity	Low-income Housing	Traded Partnership	Pass-
A AXIAL BASIN RANCH	COMPANY			NO	NO	NO	NO
B AXIAL BASIN RANCH	COMPANY	<del></del>		NO	NO	NO	N
	<u> </u>	<u> </u>					
				ļ			
E							
	Activity A	Activity B	_Activity C	Acti	vity D	Activ	/ity
Schedule K-1 Line References	PORTFOLIO	GEN. T\B					
Ordinary income		<u> </u>		ļ			
2. Rental real estate income		<u> </u>	······································	<u> </u>			
3. Other rental income				<u> </u>		<b> </b>	
4a. Interest income	8,665.		·-	<del></del>			
4b. Ordinary dividends				<del> </del>			
4c. Royalties		<del> </del>	<del></del>	ļ			
4d. Short-term capital gain/loss		<u> </u>		ļ			
4e.(1)28% Rate Long-term capital gain/loss	·			<del> </del>			
4e.(2) Total Long-term capital gain/loss		<del></del>		<del> </del>			
4f. Other portfolio income/loss				<del> </del> -			
5. Guaranteed payments		76 000		<del>  •</del>	<u>·</u>	·	
6. Net Section 1231 gain/loss	<u> </u>	76,809.					
7. Other income							
9. Section 179 expense						···	
10. Deductions for portfolio income		<del></del>		<del> </del>			
1. Other deductions				<del> </del>	<del>-</del> -	<del></del>	
2a.(1) Elec. pre-90 low-inc. housing cr.						<del></del>	
2a.(2) Other pre-90 low-inc, housing cr.				<del></del>	——— <del>-</del>		
2a.(3) Elec. post-89 low-inc. housing cr.							
2a.(4)Other post-89 low-inc, housing cr.			<del></del>				
Qualified rehab, expenditures		<del></del>				<del></del>	
.ಆ. Rental real estate credits							
d Other rental credits					—— <del> </del> -	<del></del>	
3. Other credits							
a. Interest expense on inv. debts						<del></del>	
b.(1)Investment income	8,665.						
b.(2) Investment expense							
a. Depr. adj. on post-86 property .							
b. Adjusted gain/loss							
c. Depletion							
d.(1)Gross income oil/gas/geoth,.							
d.(2) Deductions alloc. to oil/gas prop							
e. Other tax preference							
b. Total gross income (ptr level).					·	<del>-,</del> _	
c.(1) Passive (ptrshp level)							
c.(2) Listed categories (ptrshp level).							
c.(3) General limitation (ptrshp level)	·						
d.(1) Interest exp. allo. & appt. (ptr level) .							
1.(2) Other deductions allo. & appt. (ptr level)							
e.(1) Passive deductions (ptrshp level)							
e.(2) Listed categories (ptrshp level) .							
e.(3) General limitation (ptrshp level)							
. Total foreign taxes,							
Reduction in taxes avail, for credit .							
Section 59(e) expenditures	· · · · · · · · · · · · · · · · · · ·						
Tax-exempt interest income					T		
Other tax-exempt income ,							
Nondeductible expenses							
. Low-inc. housing credit recap							
. Other than Sec. 42(j)(5)							··
Supplemental Information	]						

AXIAL BASIN RANCH COMPANY AMC Doc 10	89-12 Filed 11	/07/01 Page 26 of 39	 ₩ ±±∪∪↓∪;
SCH K-1 SUPPORTING SCHEDULES PARTNER			·
ITEM F, OTHER LIABILITIES	:		
YER CURRENT LIABILITIES	į.	_	131.
TOTAL OTHER LIABILITIES		==	131.
LINE 6 - NET SECTION 1231 GAIN (LOSS)			
OTHER (GENERAL BUSINESS)		_	76,809.
TOTAL NET SECTION 1231 GAIN (LOSS)			76,809.

		Case 01-0	01139-AMC	Doc 1	L089-12	. File	d 11	./07/01 Page	27 of	39	
(Fo	rm 10	(65) of the Treasury	tner's Share	► Se	e separate	instructio	ns.	Deductions,	etc.		OMB No. 1545-0099
		dentifying number						s identifying number	<b>▶</b> 8	34-11	88107
Part GI 54	ner's n RACE 400	ame, address, and ZIF  A-B II, INC  BROKEN SOUND  RATON, FL 33	code PARTNE BLVD. NW,	R#	2	Partner AXIA 5400 300	ship's AL E	name, address, and a BASIN RANCH ROKEN SOUND	ZIP cod	de PANY	
	[] lit	rtner is a X gene nited liability company	y member	mited pa		Nonr	ecour	share of liabilities (seconds)		· ·	
-	•	partner a X domesti		n partner		1					
ח פ	nter nai	tner's percentage of: (i) is	Before change	(ii) Er	n <b>d of</b>			registration number			131
۶ ـ	rofit s	haring	% 5	0.000	ว็ดดด %			e if this partnership is			ded
	oss sh	naring	% 5	0.000	0000 %	partn		o as defined in sectio	•	,	
		ship of capital	% 5	0.000	0000 %	,			,		
		nter where partnershi				I Check	< appli	cable boxes: (1) F	inal K-	1 (2)	Amended K-1
J	nalysi	s of partner's capital	account:						_		
	(a) (	Capital account at eginning of year	(b) Capital contribi during year	uted	(c) Partner 3, 4, and Sche	's share of I 7, Form 10 edule M-2	ines 65	(d) Withdrawals and distributions		year (cor	al account at end of mbine columns (a) arough (d))
		906,696.	223,	950.				( 223,950	.)		906,696.
		(a) Di	stributive share item					(b) Amount		(c) 104 amount	0 filers enter the t in column (b) on:
	1	Ordinary income (los	ss) from trade or t	usiness a	activities		1	<u></u>	1		
	2	Net income (loss) fr					2		<b>-</b>   ∫	See pag	le 6 of Partner's ons for Schedule K-1 065).
	3	Net income (loss) fr					3		(	(Form 1065).	
	4	Portfolio income (los	s):					<u> </u>	7		
ŝ	a	Interest	·				4a	8,664		Sch. 8.	Part I, line 1
(Loss)	Ь	Ordinary dividends									Part II, line 5
e (1	С	Royalties					4 c			•	Part I, line 4
	d	Net short-term capita	al gain (loss) 🔒 ,				4 d		_	-	fine 5, col. (f)
Incom	6	Net long-term capita					S.MS ( 8 - 2 )				, ,,
		(1) 28% rate gain (los	ss)				4e(1)		j	Sch. D,	line 12, col. (g)
		(2) Total for year					4e(2)		_]	Sch. D,	line 12, col. (f)
	f	Other portfolio incom	ne (loss) <i>(attach scl</i>	nedule)			4f		_/\	Enter on a	applicable line of your return
	5	Guaranteed paymen				)	5		_] [	See page	e 6 of Partner's ons for Schedule K-1
	6	Net section 1231 gain (					6	76,808		(Form 10	
	7	Other income (loss) (	<u>attach schedule) .</u>	<u> </u>	·	- <i></i>	7		_/_	Enter on	applicable line of your return
ام، ن	8	Charitable contribution					8	·	$\dashv \gamma$	Sch. A,	line 15 or 16
Deduc- tions	9	Section 179 expense	equation	· • • • •		• • • • }	9		$\dashv \zeta$		es 7 and 8 of Instructions for
Ę; G	10	Deductions related to			10		$\dashv f$	Schedule	e K-1 (Form 1065).		
	1122	Other deductions (att		<u></u>	<del></del> .	<del>  </del>	11		1	<del></del>	
	12a	(1) From section 42(j)(5) p		، ماء م ح ← :		1000					
		(2) Other than on line 12a	i i			- 1		<u> </u>	-		
-		(3) From section 42(j)(5) p			_	,	12a(2) 12a(3)		-  >	Form 85	586, line 5
م		(4) Other than on line 12a(									
##	b	Qualified rehabilitation					12a(4)				
Credits	-					4	12b	•	17		
- '											

12c

12d

Other credits . . . . . . . . . . . . For Paperwork Reduction Act Notice, see Instructions for Form 1065.

d Credits related to other rental activities

to rental real estate activities . . . . . .

See page 8 of Partner's Instructions for Schedule K-1 (Form 1065).

c Credits (other than credits shown on lines 12a and 12b) related

	readplace of the machine meaning crowns	(6000000)	L.
a	From section 42(j)(5) partnerships	24a	
	Other than on line 24a		Form 8611, line 8
	Supplemental information required to be reported separately to	each partner (attach additional s	chedules if more space is
	needed):		,
	·		
-			
-			
_	·		
			•
~		· · · · · · · · · · · · · · · · · · ·	
			•
~			
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Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 29 of 39 PARTNER'S SCHEDULE OF ACTIVITIES 84-118810/

Activity Name(s) and Type of		<u></u>		Disposed Activity	t.ow-income Housing	Traded Partnership	Pass-thro Activit
A AXIAL BASIN RANCH		· · · · · · · · · · · · · · · · · · ·		МО	NO	NO	NO
B AXIAL BASIN RANCH	COMPANY			NO	NO	NO	NO
E							
Schedule K-1 Line References	Activity A PORTFOLIO	Activity B GEN, T\B	Activity C	Acti	vity D	Acti	vity E
Ordinary income	EONIDOBAO	GEN, LVD					
Rental real estate income						<del> </del>	
Other rental income	<del></del>	<del> </del>		<del> </del>			
4a. Interest income	8,664.					ļ	
4b. Ordinary dividends							<del></del>
4c. Royalties	<del></del>				<del></del>	<del> </del>	
4d. Short-term capital gain/loss				T			
4e,(1)28% Rate Long-term capital gain/loss				1		<del></del> -	··
4e.(2) Total Long-term capital gain/loss						¦	
4f. Other portfolio income/loss							
5. Guaranteed payments				<u> </u>	·		
6. Net Section 1231 gain/loss		76,808.					
7. Other income							
8. Charitable contributions							
9. Section 179 expense							
10. Deductions for portfolio income							
11. Other deductions							
2a.(1)Elec. pre-90 low-inc. housing cr.					·		<del></del>
2a.(2)Other pre-90 low-inc. housing cr.							
2a.(3) Elec. post-89 low-inc. housing cr.							<del></del>
2a.(4) Other post-89 low-inc. housing cr. 🔒							·
Qualified rehab, expenditures							
Rental real estate credits				_			
2d. Other rental credits							
3. Other credits							
ta. Interest expense on inv. debts .							
lb.(1) Investment income	8,664.						
4b.(2) Investment expense			·				
Sa. Depr. adj. on post-86 property .							
ôb. Adjusted gain/loss							
3c. Depletion , . ,							
6d.(1)Gross income oil/gas/geoth . ,							. 20 .
6d.(2)Deductions alloc. to oil/gas prop							
Se. Other tax preference							
7b. Total gross income (ptr level)。.							
c.(1)Passive (ptrshp level)	<u> </u>						
c.(2)Listed categories (ptrshp level).							
'c.(3)General limitation (ptrshp level)							
d.(1) Interest exp. allo. & appt. (ptr level) •							
d.(2) Other deductions allo. & appt. (ptr level)			· · · · · · · · · · · · · · · · · · ·				
e.(1) Passive deductions (ptrshp level)							
e.(2) Listed categories (ptrshp level) .							
e.(3)General limitation (ptrshp level)							
f. Total foreign taxes							
g. Reduction in taxes avail for credit .							
b. Section 59(e) expenditures	· · · · · · · · · · · · · · · · · · ·						
Tax-exempt interest income							
Other tax-exempt income			·				
Nondeductible expenses	·····						
a. Low-inc. housing credit recap.							
o. Other than Sec. 42(j)(5)							
Supplemental Information							

AXIAL BASIN RANCH COMPANY AMC Doc 1089-12 Filed 11/07/01 Page 30 of 394-118810 / SCH K-1 SUPPORTING SCHEDULES PARTNER # 2 GRACE A-B II, INC.

ITEM F, OTHER LIABILITIES

THER CURRENT LIABILITIES

131.

TOTAL OTHER LIABILITIES

OTHER (GENERAL BUSINESS)

76,808.

TOTAL NET SECTION 1231 GAIN (LOSS)

		Case (	91-01139-AMC    Doc 1089-12    Filed 11/07/01    Page 3:	1 of	39
	4	065	U.S. Return of Partnership Income	!	OMB No. 1545-0099
Porm Department of the Treasury			For calendar year 2000, or tax year beginning , 2000, and ending	. <b></b> .	2000
Inte	rnal Rever	nue Service Il business activity	➤ See separate instructions.  Name of partnership		O Employer identification number
	•	•	Traine of partnership		
_	ICEN		CARBON DIOXIDE SLURRY SYSTEMS, LP		75-1830401 E Date business started
		OLOGY  i) product or service	Number, street, and room or suite no. If a P.O. box, see page 13 of the instructions.	-	
	,				10/25/1982
<u>_</u> (	ΆΤ.	TRANSPORT	5400 BROKEN SOUND BLVD. NW, SUITE 300	ı	F Total assets (see page 13 of
_		s code number	City or town, state, and ZIP code		the instructions)
	48	4200	BOCA RATON FL 33487		\$ 1,838.
G	Check	applicable boxes:	(1) Initial return (2) Final return (3) X Change in address	(4)	Amended return
Н	Check	accounting method:	(1) Cash (2) X Accrual (3) Other (specify)		
1	Numbe	er of Schedules K-1.	Attach one for each person who was a partner at any time during the tax year	· <del></del>	2
Ca	ution:	Include <b>only</b> trade o	or business income and expenses on lines 1a through 22 below. See the instruc	tions	for more information.
	Т				
	1 2	Grace receints are	ales		
			allowances	1 c	
		Ec30 (Carrio arig e			
	2	Cost of goods sold	d (Schedule A, line 8)	2	
ne	3	•	act line 2 from line 1c	3	
Income	4	Ordinary income (I	oss) from other partnerships, estates, and trusts (attach schedule) [	4	
٤			s) (attach Schedule F (Form 1040))	5	
	6	Net gain (loss) from	m Form 4797, Part II, line 18	6	
	_			_	
	7	Other income (loss	) (attach schedule)	7	
	8	Total income (loss	). Combine lines 3 through 7	8	
_	-	Total income (1033	a Combine intes o da ouga /	-+	
sus)	9	Salaries and wage	s (other than to partners) (less employment credits) ,	9	
itati				10	
ill.			r - r	11	
ins fe			<del></del>	12	
instructions for limitations)				13	
instr				14	
fthe	15	Interest		15	
140	1		uired, attach Form 4562)		·
age	1			16c	<del></del>
e ps	1			17 18	
) (S			}	19	
Deductions (see page 14 of the		. ,			<del></del>
ucti	20 (	Other deductions (a	attach schedule)	20	
)ed				$\neg \top$	
	21	Total deductions, A	dd the amounts shown in the far right column for lines 9 through 20	21	
	22 (	Under cenalties of per	oss) from trade or business activities. Subtract line 21 from line 8.	22	nd to the hard of
ele.	ease	and belief, it is true,	correct, and complete. Declaration of preparer (other than general partner or limited liability reparer has any knowledge	iy com	pany member) is based on all
Şiç	jn		Carl EX	/	
чe	re		Date    Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   Date   D	-6/	
_		Preparer's	Date , Check if	PIE	eparer's SSN or PTIN
aic		signature	apulne Lamba 8/9/01 self- employed >	٦  أ	
_	parer's Only	Firm's name (or yours	PRICEWATERHOUSECOOPERS LLP	EIV	<b>▶</b> 13-4008324
<b>3</b> 2	Unity	if self-employed), address, and ZIP code	200 S RISCAYNE RIVO STE 1000		one no.
		Judicaa, and zir code	MIAMI, FL 33131-2330	$\exists$ 3	305-375-7400

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2000)

(Rev. October 2000)

# AppliCion for Automatic Extension of Time To File U.S. Return for a Partnership, REMIC. or for Certain Trusts

OMB No. 1545-1054

Employer identification number

Department of the Treasury Internal Revenue Service

Name

File a separate application for each return.

Please type
or print.
Clia butha dua

date for filing the return for which an extension is requested See CARBON DIOXIDE SLURRY SYSTEMS,

75-1830401

Number, street, and room or suite no. If a P.O. box, see instructions.

5400 BROKEN SOUND BLVD, NW, STE.

City or lower, state, and ZIP code, if a foreign address, enter city province or state, and country. Follow the country's gractice for entering the nostal code

instructions.		BOCA RATON FL 334	· ·			
1	•	automatic 3-month extension 41  Form 1041-QFT	· · · · · · · · · · · · · · · · · · ·		[] Form 1066	
2	If the entity	does not have an office or place	e of business in the Unit	ed States, check this bo	x	· 🗆
		r year 20 $00$ , or other tax year is for less than 12 months, curn		, 20 , and	ending, 20	
4	If this extens	sion is requested for Form 1041	, Form 1041-QFT, Forn	1065-B, or Form 1066	, enter the following amounts:	
а	Tentative total	al tax from Form 1041, Form 1	041-QFT, Form 1065-B	or Form 1066 (see inst	ructions) \$	
b		credits and estimated tax paym Form 1041, Form 1041-QFT, or				
С	Balance due	e. Subtract line 4b from line 4a.	if zero or less, enter -0	Enclose payment, if a	ny, with	

Caution: Interest will be charged on any tax not paid by the regular due date of Forms 1041, 1041-QFT, 1065-B, and 1066 from the due date until the tax is paid.

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Use Form 8736 to request an automatic 3-month extension of time to file a return for:

- Trusts filing Form 1041, U.S. Income Tax Return for Estates and Trusts, or Form 1041-QFT, U.S. Income Tax Return for Qualified Funeral Trusts.
- Partnerships filing Form 1065, U.S. Return of Partnership Income, or Form 1065-8, U.S. Return of Income for Electing Large Partnerships.
- Real estate mortgage investment conduits filing Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return.

If allowed, the automatic extension will extend the due date of the return to the 15th day of the 3rd month following the month in which the regular due date falls. The automatic 3-month extension period includes any 2-month extension granted under Regulations section 1.6081-5 to certain foreign partnerships.

Note: An estate filing Form 1041 should not file this form. Instead, it should request an extension using Form 2758, Application for Extension of

Time To File Certain Excise, Income, Information, and Other Returns.

The extension will be allowed if you complete Form 8736 properly, make a proper estimate of the tax on line 4a (if applicable), and file the form on time. We will notify you only if your request for an extension is not allowed.

For most partnerships, trusts, and REMICs. an automatic extension will extend the due date of the return to July 15th of the year following the close of the calendar year.

#### When To File

File Form 8736 by the regular due date of the return for which an extension is requested (or, in the case of certain foreign partnerships, by the expiration date of any extension of time to file granted under Regulations section 1.6081-5). The regular due date is generally the 15th day of the 4th month following the close of the entity's tax

### Additional Extension of Time To File

If Form 8736 has already been filed but more time is needed, file Form 8800, Application for Additional Extension of Time To File U.S. Return for a Partnership, REMIC, or for Certain Trusts

Except in cases of undue hardship, do not file Form 8800 unless Form 8736 has already been filed. Before an additional extension can be granted, the entity must show reasonable cause for the additional time needed to file.

NONE

Ask for the additional extension early so that if it is denied the return can still be filed on time.

#### Where To File

File Form 8736 with the Internal Revenue Service Center where the entity will file its return.

#### No Blanket Requests

File a separate Form 8736 for each return for which you are requesting an extension of time to file. This extension will apply only to the specific return checked on line 1. It does not extend the time for filing any related returns. For example, an automatic extension of time to file Form 1065 will not apply to the income tax returns of the partners of the partnership.

## Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 33 of 39

Form **8800** (Rev. September 2000)

# Application for Additional Extension of The To File U.S. Return for a Partnership, REMIC, or for Certain Trusts

OMB No. 1545-1057

Internal Reve	enue Service	<i>'</i>	➤ File a separate application for each return.	
Please type or	Nam	ie		Employer identification number
print.	CAR	RRO	N DIOXIDE SLURRY SYSTEMS, LP	75-1830401
File the origina and one copy	11		reet, and room or suite no. (If a P.O. box, see instructions.)	
by the due dat				
for filing the return for			BROKEN SOUND BLVD. NW, STE. 300	
which an extension is			n, state, and ZIP code. If a foreign address, enter city, province or state, / Follow the country's practice for entering the postal code.	•
requested. See	e	•		
instructions.			RATON FL 33487	
	Form 104	41		1065-B Form 1066
2 If th	ne entity d	loes	not have an office or place of business in the United States, check th	nis box
3a For	calendar	year	20 00 , or other tax year beginning, 20	, and ending, 20
			ess than 12 months, check reason:	
4 Exp	olain why Iditio	ເກຍ e ກ່ອງ	time is needed to prepare a complete	and accurate tax
	eturn.		cime 20 heada co biopare a compilere	and adodition can
_ <del></del>				
-				
			Form 8736 to request an extension of time to file for this tax year?	
lf yc	ou checke	d "No	o," we will grant an extension only for undue hardship. Fully explain	the hardship on line 4.
Indor neon	tties of perits	o 1 de	Signature and Verification eclare that I have examined this form, including accompanying schedules and statement	s and to the hest of my knowledge and helief it in the
			t I am authorized to prepare this form.  Occupant have examined this form.  Occupant have examined this form.  Occupant have examined this form.	So and to the best of my knowledge and belief, it is true.
	Λ		r I am authorized to prepare this form.  Pricewater house Coc 13-4008324	· · ·
Signature <b>&gt;</b>	Marae	ul	ene Swaln Title >	Date ► 6/29/0/
ile origi	inal and d	one c	copy/The IRS will show below whether or not your application is	s approved and will return the copy.
votice to	Applica	nt —	To Be Completed by the IRS.	
. 🗀 \	We HAVE	app	roved this application. Please attach this form to the entity's return.	
	We HAVE	NO	Fapproved this application.	
	However,	we h	ave granted a 10-day grace period to	This grace period is considered a
			of time for elections otherwise required to be made on a timely rel	
	return.		·	
	We HAVE	NOT	approved this application. After considering the reasons stated in ite	m 4 above, we cannot grant this request for
			time to file. We are not granting a 10-day grace period.	· .
□ \	We canno	it con	sider this application because it was filed after the due date of the re	turn for which an extension was requested.
	Other:			
			D.v.	
 Director				Oate
	a copy of th	ns for	m to be returned to an address other than that shown above, please enter the ad-	·
754	Name		and the second street than that shown above, please either the ad-	Gress to winds the cupy should be sent.
Please	Number, sti	reet, a	nd room or suite no. (If a PO box, see instructions.)	
Type				
or -	City or town	ı, state	and ZIP code. If a foreign address, enter city, province or state.	
Print	and country	/ Follo	w the country's practice for entering the postal code	

## Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 34 of 39

Form 1065 (2000)	CARBON DIOXIDE SI			75-18	330401	- age
Schedule A	Cost of Goods Sold (see page	age 17 of the	nstructions)	- <del> </del>		
				}		
1 Inventory a	t beginning of year			1		
2 Purchases	less cost of items withdrawn fo	r personal use	·	2		
3 Cost of labor	or			3		
4 Additional:	section 263A costs (attach sche	dule)		4		
5 Other costs	(attach schedule)		<i></i>			
6 Total. Add	lines 1 through 5			6		
7 Inventory a	t end of year			7		
8 Cost of god	ods sold. Subtract line 7 from lin	ne 6. Enter her	e and on page 1, line 2	8		
	nethods used for valuing closing					
	st as described in Regulations					
`'	ver of cost or market as descri		ons section 1,471-4			
· · / —————————————————————————————————	ner (specify method used and a	_				
			oods as described in Regulations se	ction 1.471-2(c)		Γ.
		_	this tax year for any goods (if checke	, ,		
			equired for resale) apply to the partne			
			valuations between opening and clo			$\vdash$
	ach explanation,	14400, 0001, 01	value and between opening and clo	Sing inventory:	[ 1 es [	<sup>14</sup>
11 1 cs, all	acii expianation,					
chedule B	Other Information	·*·				
	of entity is filing this return? Che	ck the applicat	ale hov:			- N
	tic general partnership		omestic limited partnership		/ Y &	es Ne
<i></i>						
	tic limited liability company	F	mestic limited liability partnership			
	partnership		her >			
! Are any par During the p	thers in this partnership also pa	rmersnips/, ,			• • • •	
			any interest in another partnership	• •		ĺ
			owner under Regulations sections 3			
301.7701-3	? If yes, see instructions for red	uired attachme	ent		• • • • -	$\perp X$
			dures of sections 6221 through 6233			
						X
=	artnership meet all three of the t					
	ship's total receipts for the tax y				50.000 50.000 50.000	
•	ship's total assets at the end of	•				
		furnished to th	e partners on or before the due date	(including	00.00 00.00	
·	for the partnership return.					
			fules L, M-1, and M-2; Item F on page		}	
or Item J on	Schedule K-1				L_	X
Does this pa	irtnership have any foreign partn	ers?			i	X
is this partne	ership a publicly traded partners	ship as defined	in section 469(k)(2)?			X
Has this par	tnership filed, or is it required to	file, Form 826	<ol><li>Application for Registration of a T</li></ol>	ax Shelter?		X
At any time	during calendar year 2000, did t	the partnership	have an interest in or a signature o	r other authority		
over a financ	ial account in a foreign country	(such as a ba	nk account, securities account, or oth	her financial		
account)? S	ee page 19 of the instructions t	for exceptions	and filing requirements for Form TD I	F 90-22.1, If "Yes,"	•	
				,		X
During the ta	x year, did the partnership rece	eive a distributi	on from, or was it the grantor of, or t	ransferor to, a		
			m 3520. See page 19 of the instructi			X
Was there a	distribution of property or a tra	nsfer (e.g., by	sale or death) of a partnership interes	st during the tax		1-
year? If "Ye	s," you may elect to adjust the	basis of the pa	rtnership's assets under section 754	by attaching the	ļ	
			rship on page 7 of the instructions.			X
Enter the nu	mber of Forms 8865 attached t	othis return. ▶			1	^_^
.:	- Name of the state of the stat	40 (				
	ax Matters Partner (see pag					
er below the ge	neral partner designated as the	tax matters pa	artner (TMP) for the tax year of this re	turn:		
me of						
signated TMP			Identify			
<del>,</del>			number	of TMP		
dress of						
signated TMP						
				<del>-</del>	Form <b>1065</b> (	(2000)
020-3.000					,	

9MH1PP 1642 08/01/2001 13:00:06 V0.08.01 CARBON

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Form 1065 (2000) CARBON DIOXIDE SLURRY SYSTEMS, LP

Sch	edule		<del></del>	
	<del> </del>	(a) Distributive share items		(b) Total amount
	1	Ordinary income (loss) from trade or business activities (page 1, line 22)	1	ļ
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
		Gross income from other rental activities		
		Expenses from other rental activities (attach schedule)		
	C	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3 c	
SS)	4	Portfolio income (loss): a Interest income	4 a	
ي	, k	Ordinary dividends		
) e	C		4 c	
Income (Loss)	d	Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4 d	
Ĕ		Net long-term capital gain (loss) (attach Schedule D (Form 1065)):		
		(1) 28% rate gain (loss) (2) Total for year		
	+	Other portfolio income (loss) (attach schedule)		
	5	Guaranteed nayments to partners	<del></del>	
	6	Guaranteed payments to partners  Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	5	
	ł			
	7	Other income (loss) (attach schedule)	7	
Ġ	8	Charitable contributions (attach schedule)	8	
Deduc- tions	9	Section 179 expense deduction (attach Form 4562)	9	
Q #	10	Deductions related to portfolio income (itemize)	10	
	11_	Other deductions (attach schedule)	11	
	12a			
	ļ	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	'	(2) Other than on line 12a(1) for property placed in service before 1990	12a(2)	
ts	1	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
Credits		(4) Other than on line 12a(3) for property placed in service after 1989	12a(4)	
ర్		Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
	13	Other credits		
st		Interest expense on investment debts	14a	
ere ere	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	145(1)	
Inv. ment Interest	l	(2) Investment expenses included on line 10 above	146(2)	
<u> </u>	15a	Net earnings (loss) from self-employment	15a	
Self- Employ- ment	ь	Gross farming or fishing income	15b	
a E	c	Gross nonfarm income	15c	
T 41	16a	Depreciation adjustment on property placed in service after 1986	16a	
an nce		Adjusted gain or loss	16b	
ints fere		Depletion (other than oil and gas)  (1) Cross income from oil and gasharmal properties	1	<del></del>
rel	d	(1) Gross income from oil, gas, and geothermal properties	16c	<u> </u>
Adjustments and Tax Preference Items		(2) Deductions allocable to oil, gas, and geothermal properties		<del></del>
Ą. L		Other adjustments and tax preference items (attach schedule)	16d(2)	
	172	Name of foreign country or U.S. possession	16e	
	h	Gross income sourced at narroer level		
S	_	Gross income sourced at partner level  Foreign gross income sourced at partnership level:	17ь	
Foreign Taxes		· · · · · · · · · · · · · · · · · · ·	1.17 111.050	
Ë	a	(1) Passive (2) Listed categories (attach schedule) (3) General limitation Deductions allocated and apportioned at partner level:	1.1.1.1.1.1.1.1	
<u>.</u>	u			
ore		(1) Interest expense ▶ (2) Other	17d(2)	
<u> </u>	е	Deductions allocated and apportioned at partnership level to foreign source income:	1	
ļ	_	(1) Passive (2) Listed categories (attach schedule) (3) General limitation	17e(3)	
	Ť	Total foreign taxes (check one): ▶ ☐ Paid ☐ Accrued	17f	
	g	Reduction in taxes available for credit and gross income from all sources (attach schedule).	17g	
	18	Section 59(e)(2) expenditures: a Type ▶b Amount ▶	185	
ĺ	19	Tax-exempt interest income	19	
ē	20	Other tax-exempt income	20	
Other	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money	23	
1	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Analysis of Net Inco	Se 01-01139-A BON DIOXIDE	SLURRY SY	STEMS, LP		Page 36 of 39	1020401 100-
1 Net income (loss). Co		ines 1 through 7 in	column (b) From	the result subtr	and the	
sum of Schedule K, lir						
2 Analysis by	1	(ii) Individual	(iii) Individual		(v) Exempt	
partner type:	(i) Corporate	(active)	(passive)	(iv) Partnership	organization	(vi) Nominee/Othe
a General partners						
b Limited partners		<u> </u>				
Schedule L Ba	ance Sheets pe					
			ginning of tax ye	ar	End o	f tax year
	sets	(a)		(b)	(c)	(d)
1 Cash				_1,838.		1,838
2a Trade notes and accorb Less allowance for ba						
		The secretary of the second se	88486886			
3 Inventories	anatione	• •				
5 Tax-exempt securities						
6 Other current assets (a	attach schedule)	• •				
7 Mortgage and real est	ista lagne					
8 Other investments (att						
9 a Buildings and other de						
b Less accumulated des						
10 a Depletable assets			000		2,190,000.	
b Less accumulated dep	1.4:	2 100			2,190,000.	
1 Land (net of any amor			<u> </u>	Service Service	2,190,000.	·
2 a Intangible assets (amo						
b Less accumulated ame		• •			j	
3 Other assets (attach so	hedule)					
4 Total assets		<ul> <li>Proposed Communication (Communication)</li> </ul>		1,838.		1,838
	and Capital	• •				1,030
5 Accounts payable	•			0.000, 1960, 0.000, 9166, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.0000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.000, 0.0		
6 Mortgages, notes, bonds		the first first property (CO) are easily the sy				<del>-</del>
7 Other current liabilities	(attach schedule)				-	<del></del>
8 All nonrecourse loans						* <del></del>
Mortgages, notes, bonds					-	
Other liabilities (attach	schedule)				-	
Partners' capital accou				1,838.	-	1,838
2 Total liabilities and car	oital			1,838.	· · · · · · · · · · · · · · · · · · ·	1,838.
Rec	conciliation of In	come (Loss) pe	r Books With	Income (Los	ss) per Return	
Checane man (No	t required if Ques	tion 5 on Schedu	le B is answere	d "Yes." See p	age 30 of the inst	ructions.)
Net income (loss) per b			6 Income rec	orded on books this y	ear not included	
Income included on Sc	*			ale K, lines 1 throu	- ' '	
through 4, 6, and 7, no			a Tax-exem	ot interest \$		
this year (itemize):		····				
Guaranteed payments	•		,	s included on Sch		
insurance)			through 1	1, 14a, 17f, and 1	8b, not charged	
Expenses recorded on	· · · · · · · · · · · · · · · · · · ·			ok income this yea		
included on Schedule R			a Depreciati	on \$		•
11, 14a, 17f, and 18b (						
a Depreciation \$	n Þ			ŝand7		
a Depreciation \$b Travel and entertainment	į.		9 Income (lo	ss) (Analysis of Ne		
a Depreciation \$b  Travel and entertainment			10 40 40	intraat lina O fram	line 5	
a Depreciation \$ b Travel and entertainment Add lines 1 through 4.		Camital Asses	line 1). Su	billact line 8 from		<del></del>
a Depreciation \$ b Travel and entertainment Add lines 1 through 4 . checule M-2 Anal	ysis of Partners	' Capital Accou	nts (Not require	ed if Question 5	on Schedule B is a	nswered "Yes.")
a Depreciation \$ b Travel and entertainment Add lines 1 through 4. checule M-2 Anal Balance at beginning of	ysis of Partners	1,838	nts (Not require	ed if Question 5 ns: a Cash	on Schedule B is a	
a Depreciation \$ b Travel and entertainment  Add lines 1 through 4. checule M-2 Anal  Balance at beginning of Capital contributed duri	ysis of Partners	1,838	nts (Not require	ed if Question 5 ns: a Cash b Property .	on Schedule B is a	
a Depreciation \$ b Travel and entertainment  Add lines 1 through 4. chedule M-2 Anal Balance at beginning of Capital contributed duri Net income (loss) per bo	ysis of Partners year ng year noks	1,838	nts (Not require	ed if Question 5 ns: a Cash	on Schedule B is a	
a Depreciation \$ b Travel and entertainment  Add lines 1 through 4.  Checule M-2 Anal  Balance at beginning of Capital contributed duri  Net income (loss) per boo Other increases (itemize	ysis of Partners year ng year noks	1,838	nts (Not require  6 Distribution  7 Other decr	ed if Question 5 ns: a Cash b Property eases (itemize):	on Schedule B is al	nswered "Yes.")
a Depreciation \$ b Travel and entertainment  Add lines 1 through 4.  checule M-2 Anal  Balance at beginning of Capital contributed duri  Net income (loss) per bo Other increases (itemize	ysis of Partners year ng year looks	1,838	nts (Not require  6 Distribution  7 Other decr  8 Add lines 6	ed if Question 5 ns: a Cash b Property . eases (itemize):	on Schedule B is al	

# Case 01-01139-AMC Doc 1089-12 Filed 11/07/01 Page 37 of 39 Schedule K-1, Item J - Analysis of Partners Capital Accounts

Partner Number	A. Capital Account at Beginning of Year	B. Capital Contributed During Year	C. Partners' Shares of Sch. M-2, Lines 3, 4, and 7	D. Withdrawals and Distributions	E. Capital Account at End of Year
1	919.				919
2	919.				919
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rals	1,838.				1,838

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City, State and Zip  MA 02140  FL 33487				
CAMBRIDGE BOCA RATON				
Partner Adaress Listing  Street Address 25 Acorn PARK 5400 BROKEN SOUND BLYD. NY, SUITS 300				
Partner Name ARTHUR D. LITTLE, INC. W.R. GRACE & COCONN.				
Partner I.D. Number 04-1549700 13-5114230				
Partner Number 1				

9MH1PP 1642 08/01/2001 13:00:06 VO.08.01 CARBON

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SCHEDULE K-1 Partner's Share of Income,			•				OMB No. 1545-0099		
(Form 1065)  Department of the Treasury Internal Revenue Service  For calendar year 2000 or tax year beginning									2000
	Partner's identifying number ➤ 04-1549700						and ending s identifying number <b>&gt;</b>	75 1	
				1			name, address, and ZIP		830401
			s, and ZiP code PARTNER # ITTLE, INC.	7	1		DIOXIDE SLURE		ጥሮሐር ፣ ኮ
		ORN PAF			l		ROKEN SOUND BI		•
			1A 02140		300	, Dr	OKEN BOOKD BI	1VD. A	W, BOILE
C	WILDL	CIUGE, P	IA 02140			מס ע	ATON, FL 3348	17	
					2002	ı IV.	11011, 12 3340	, ,	
A	This pa	artner is a	general partner X limited p	artner	F Partr	ner's s	share of liabilities (see in	structions	):
	[] Jii	mited liability	company member	}	Nonr	ecour	rse		
			is this partner? ► CORPORATI						
С	ls this p	partner a X	domestic or a foreign partne						
D	Enter pa	rtner's percentag	or termination	End of year	G Tax si	helter	registration number >		
	Profit s	haring	% <u>50.00</u>	10000 %	H Chec	k her	e if this partnership is a	publicly tr	aded
	Loss si	naring -him of pomits	% 50.00 % 50.00	10000 %	partn	ersni	o as defined in section 4	169(K)(Z)	
			al%_50.00 partnership filed return: ATLANTA		I Chasi	k annli	cable boxes: (1) Fina	IK-1 (2)	Amended K-1
			's capital account:	<u></u>	i Checi	каррп	cable boxes. [1] [1] ina	1/1-1 (2)	/ Amended N-1
×		Capital account		(c) Partner	's share of l	ines	(d) Withdrawals and		ital account at end of
	þ	eginning of year	during year		7, Form 10 dule M-2	165,	distributions	year (d	combine columns (a) through (d))
			919.				( )		919.
_			A District value of the state o		-		(b) Amount	(c) 1	040 filers enter the
	· — · —		(a) Distributive share item				(4, /	arnot	ınt in column (b) on:
	1		come (loss) from trade or business			1		See p	age 6 of Partner's ctions for Schedule K-1 1065).
	2		e (loss) from rental real estate activ			2		(Form	1065).
	3		e (loss) from other rental activities come (loss):			3		)	
<u></u>	4 a					4a		C-1	3 D-41 5 4
SO	b		vidends			4 b	<del></del>	1	3, Part I, line 1 3, Part II, line 5
	C							1	E, Part I, line 4
me	d		erm capital gain (loss)			4 d		1	D, line 5, col. (f)
Income (Loss)	e	Net long-te	rm capital gain (loss):						,,,
_		(1) 28% rat	te gain (loss)			4e(1)		Sch. I	D, line 12, col. (g)
	1	(2) Total fo.	ryear			4e(2)		Sch: (	D, line 12, col. (f)
	f		olio income (loss) (attach schedule)			4f		→ Enter o	n applicable line of your return.
	5	Guaranteed	d payments to partner			5		See pa	age 6 of Partner's Highs for Schedule K-1
	6		231 gain (loss) (other than due to casu			6	· <del></del>	f (Form	1065).
	7_	Other incor	ne (loss) (attach schedule)	<del></del>	<del></del>	7		- Enter o	n applicable line of your return.
	8	Charitable (	contributions (see instructions) <i>(atta</i>	sch echedule	.)	8		Sch .	A, line 15 or 16
S C			expense deduction			9		``	
Deduc- tions	10	Deductions	related to portfolio income (attach	schedule)		10		> Partne	iges 7 and 8 of r's Instructions for
Ω ₩	11		ctions (attach schedule)			11		Sched	ule K-1 (Form 1065).
	12a		e housing credit:	····	· · · · · · ·				<del></del>
	}	(1) From section	on 42(j)(5) partnerships for property placed in	n service before	1990	12a(1)		)	
			on line 12a(1) for property placed in service			12a(2)		Form	8586, line 5
			on 42(j)(5) partnerships for property placed ii			12a(3)		1	oodo, iiile o
its			on line 12a(3) for property placed in service		6	12a(4)		丿	
Credits	b		habilitation expenditures related to		ľ			_	
ပ်		activities .				12b		)	
	С		er than credits shown on lines 12a						ge 8 of Partner's
		to rental rea	estate activities					Form (Form	tions for Schedule K-1 1065),
	13		ted to other rental activities s		T.	12d		J	
	11.0	Outer diedit	<b> </b>		1	13	ſ	,	